

an eligible property with existing structures may be eligible.

(c) *Subdivision restrictions.* The land may not be subdivided prior to acquisition except for portions outside the identified hazard area, such as the Special Flood Hazard Area or any risk zone identified by FEMA.

(d) *Subapplicant property interest.* To be eligible, the subapplicant must acquire or retain fee title (full property interest) as part of the project implementation. A pass through of funds from an eligible entity to an ineligible entity must not occur.

(e) *Hazardous materials.* Eligible properties include only those that are not contaminated with hazardous materials, except for incidental demolition and household hazardous waste.

(f) *Open space restrictions.* Property acquired or from which a structure is removed must be dedicated to and maintained as open space in perpetuity consistent with this part.

EFFECTIVE DATE NOTE: At 74 FR 47481, Sept. 16, 2009, § 80.11 was amended by revising paragraph (d), effective Oct. 16, 2009. For the convenience of the user, the revised text is set forth as follows:

§ 80.11 Project eligibility.

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(d) *Subapplicant property interest.* To be eligible, the subapplicant must acquire or retain fee title (full property interest), except for encumbrances FEMA determines are compatible with open space uses, as part of the project implementation. A pass through of funds from an eligible entity to an ineligible entity must not occur.

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§ 80.13 Application information.

(a) An application for acquisition of property for the purpose of open space must include:

(1) A photograph that represents the appearance of each property site at the time of application;

(2) Assurances that the subapplicant will implement the project grant award in compliance with subparts C and D of this part;

(3) The deed restriction language, which shall be consistent with the FEMA model deed restriction that the local government will record with the

property deeds. Any variation from the model deed restriction language can only be made with prior approval from FEMA's Office of General Counsel;

(4) The documentation of voluntary interest signed by each property owner, which must include that the subapplicant has informed them in writing that it will not use its eminent domain authority for the open space purpose; and

(5) Assurance that the subject property is not part of an intended, planned, or designated project area for which the land is to be acquired by a certain date, and that local and State governments have no intention to use the property for any public or private facility in the future inconsistent with this part;

(6) If the applicant is offering pre-event value: certification that the property owner is a National of the United States or qualified alien; and

(7) Other information as determined by the Administrator.

(b) *Consultation regarding other ongoing Federal activities.* (1) The subapplicant must demonstrate that it has consulted with the United States Army Corps of Engineers (USACE) regarding the subject land's potential future use for the construction of a levee system. The subapplicant must also demonstrate that it has, and will, reject any future consideration of such use if it accepts FEMA assistance to convert the property to permanent open space.

(2) The subapplicant must demonstrate that it has coordinated with its State Department of Transportation to ensure that no future, planned modifications, improvements, or enhancements to Federal aid systems are under consideration that will affect the subject property.

(c) *Restriction on alternate properties.* Changes to the properties in an approved mitigation project will be considered by FEMA but not approved automatically. The subapplicant must identify the alternate properties in the project application and each alternate property must meet eligibility requirements in order to be considered.

EFFECTIVE DATE NOTE: At 74 FR 47481, Sept. 16, 2009, § 80.13 was amended by revising paragraph (a)(6), effective Oct. 16, 2009. For

the convenience of the user, the revised text is set forth as follows:

§ 80.13 Application information.

(a) * * *

(6) If the subapplicant is offering pre-event value: the property owner's certification that the property owner is a National of the United States or qualified alien; and

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Subpart C—Post-Award Requirements

§ 80.15 General.

A project involving property acquisition or the relocation of structures for open space must be implemented consistent with the requirements set forth in this subpart.

§ 80.17 Project implementation.

(a) *Hazardous materials.* The subgrantee shall take steps to ensure it does not acquire or include in the project properties contaminated with hazardous materials by seeking information from property owners and from other sources on the use and presence of contaminants affecting the property from owners of properties that are or were industrial or commercial, or adjacent to such. A contaminated property must be certified clean prior to participation. This excludes permitted disposal of incidental demolition and household hazardous wastes. FEMA mitigation grant funds may not be used for clean up or remediation of contaminated properties.

(b) *Clear title.* The subgrantee will obtain a title insurance policy demonstrating that fee title conveys to the subgrantee for each property to ensure that it acquires only a property with clear title. The property interest generally must transfer by a general warranty deed. Any incompatible easements or other encumbrances to the property must be extinguished before acquisition.

(c) *Purchase offer and supplemental payments.* (1) The amount of purchase offer is the current market value of the property or the market value of the property immediately before the relevant event affecting the property ("pre-event").

(i) The relevant event for Robert T. Stafford Disaster Relief and Emergency Assistance Act assistance under HMGP is the major disaster under which funds are available; for assistance under the Pre-disaster Mitigation program (PDM) (42 U.S.C. 5133), it is the most recent major disaster. Where multiple disasters have affected the same property, the grantee and subgrantee shall determine which is the relevant event.

(ii) The relevant event for assistance under the National Flood Insurance Act is the most recent event resulting in a National Flood Insurance Program (NFIP) claim of at least \$5000.

(2) For acquisition of properties under the Severe Repetitive Loss program under part 79 of this subchapter, the purchase offer is not less than the greatest of the amount in paragraph (c)(1) of this section; the original purchase price paid by the participating property owner holding the flood insurance policy; or the outstanding amount of any loan to the participating property owner, which is secured by a recorded interest in the property at the time of the purchase offer.

(3) The grantee should coordinate with the subgrantee in their determination of whether the valuation should be based on pre-event or current market value. Generally, the same method to determine market value should be used for all participants in the project.

(4) A property owner who did not own the property at the time of the relevant event, or who is not a National of the United States or qualified alien, is not eligible for a purchase offer based on pre-event market value of the property. Subgrantees will ask each participating property owner to certify that they are either a National of the United States or qualified alien before offering pre-event market value for the property.

(5) Certain tenants who must relocate as a result of the project are entitled to relocation benefits under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (such as moving expenses, replacement housing rental payments, and relocation assistance advisory services) in accordance with 49 CFR part 24.